GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:2343
ANSWERED ON:11.03.2016
Performance of Ordnance Factory Board
Charitra Shri Ram

Will the Minister of DEFENCE be pleased to state:

(a) whether the Ordnance Factory Board has been exaggerating its performance while failing to meet production targets;

(b) if so, the details thereof;

(c) whether CAG audit in 10 ordnance factories showed a persistent trend of over statement of performance in the form of advance issue of vouchers; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (RAO INDERJIT SINGH)
IN THE MINISTRY OF DEFENCE

(a) & (b): No, Madam. The supply target vis-Ã -vis achievement of Ordnance Factory Board (OFB) during last three years is given below:
(Rs. in crore)

Year	RE Target	Achievement	%age
2012-13	12478	11975	96%
2013-14	11860	11123	94%
2014-15	11900	11364	96%

The factual data shows marginal shortfall, which is on account of reasons like delay in receipt of input from trade sources both indigenous and import origin, capacity constraints in some areas, non realization of advance from Police units and civil market for arms and weapons, delay in indents for logistic vehicles, Non receipt of Bulk Production Clearance etc.

(c) & (d): CAG audit has indicated instances of advance Issue of Vouchers. These are, however, an exception. The cases of Advance Issue Vouchers mentioned by CAG Audit have been examined in consultation with OFB for necessary corrective action. Principal Controller of Accounts (Factories) has instructed branch Accounts Offices not to accept Issue Vouchers without dispatch details. With the introduction of payment of Excise Duties (ED) by the Ordnance Factories on their products from 1st June, 2015, Issues of the items are linked with Excise Gate Pass thereby eliminating instances of Advance Issue Vouchers.

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